

COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

KEYSPAN ENERGY DELIVERY NEW ENGLAND  
RESPONSE TO  
ATTORNEY GENERAL'S FIRST SET OF INFORMATION REQUESTS

D.T.E. 06-54

Respondent: Theodore Poe, Jr.

Date: September 12, 2006

Information Request AG-1-15

- Q. Please identify the forecasted level of surplus capacity and/or supply that the Company will have on the Algonquin G-lateral if the expansion is completed for the next ten years. Provide supporting forecasts and work papers and provide the amount of surplus on a yearly basis.**
- A. Attachment AG-1-8 sets forth the Company's updated forecast of design day requirements for the Cape Cod service territory, with the base-case forecast taken from the most recently filed Long Range Resource and Requirements Plan (pending in D.T.E. 05-68). The relevant portion of the Cape Cod capacity requirements column is reproduced below.

Under the forecast, the full contract volumes of 38,000 MMBtu/day are not shown to be needed until 2013/14. However, the need analysis does not account for the Company's actual use of the capacity, which is likely to vary from the forecasted need because of the Company's ability to interchange the use of this capacity with other supplies within its portfolio (such as Distrigas LNG vapor or local LNG vapor supplies) to optimize use and minimize overall cost to the consumer.

With respect to the gas supply that will flow on this capacity, the Company cannot identify any quantity as "surplus" because the Company has substantial flexibility to contract for supplies based on its actual requirements (i.e., non-base load supplies) and to move this supply to its other Algonquin citygates to optimize use and minimize overall cost to the consumer.

Year	1/24th Contract (MMBtu/day)
2006/07	16,344
2007/08	19,944
2008/09	24,744
2009/10	29,544
2010/11	31,944
2011/12	34,344
2012/13	36,744
2013/14	39,144
2014/15	41,544

